LLR - SOUTH CAROLINA MANUFACTURED HOUSING BOARD

Synergy Business Park, Kingstree Building 110 Centerview Drive, Kingstree Building, Room 108 Columbia, South Carolina 29210

Minutes

Tuesday, March 19, 2013

10:00 a.m.

Mr. Randall Altman, Board Chairman, announced that the meeting was held in accordance with §30-4-80 of the South Carolina Freedom of Information Act by notice mailed to all requesting persons, organizations, and news media. In addition, notice was posted on the bulletin boards at the main entrance of the Kingstree Building.

WELCOME AND CALL TO ORDER:

Chairman Altman called the regular meeting of the South Carolina Manufactured Housing Board to order at 10:03 a.m. Other Board members present for the meeting included: Michael Levy, W. Marion Moore, David A. Randall, Adam Reese, Arthur Newton, Dorothy Edwards, Richard L. Bagwell, Shane Ray.

Staff members participating in the special meeting included: Sheridon Spoon, Advice Council, Roger Lowe, Administrator, Crystal George, Program Assistant, and Diane M. Hendricks, Court Reporter.

Others present participating in the meeting included: Todd Bond, LLR Investigator, Princess Hodges, LLR OGC, Scott Jason Heinrich, Robert Queen, Linda McPheron, Mark Dillard and Allen Hutton.

Approval of Agenda:

Tuesday, March 19, 2013

MOTION:

Mr. Bagwell made a motion to approve the March 19, 2013 agenda. Mr. Levy seconded the motion, which carried unanimously.

Election of Officers:

MOTION:

Mr. Randall made a motion to re-elect Randall Altman for Board Chairman. Mr. Moore seconded the motion, which carried unanimously.

MOTION:

Mr. Bagwell made a motion to elect Mr. David Al Randall for Board Vice-Chairman. Mr. Newton seconded the motion, which carried unanimously.

Approval of Minutes:

Tuesday, December 11, 2012

Ms. Edwards made a motion to approve the December 11, 2012 minutes. Mr. Levy seconded the motion, which carried unanimously.

Approval/Disapproval of Absent Members:

MOTION:

Mr. Levy made a motion to excuse the absences of Mr. Patrick Smith and Mr. Wayne Iseman. Mr. Randall seconded the motion, which carried unanimously.

Chairman's Remarks:

Chairman Altman stated that he appreciated everyone having confidence of electing him as Chair again

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Administrator's Remarks:

Mr. Roger Lowe stated that he looked forward to working with everyone for the next several years. Mr. Lowe requested that all Board members complete the contact information sheets provided in their packets

Office of Investigation and Enforcement (OIE):

Mr. Todd Bond reported that since the first of this year they received 12 complaints and opened 12 complaints. There are 8 active investigations of those 12 cases. There were 13 dealer line inspections, 2 citations and 1 Cease & Desist Order.

Office of General Counsel (OGC):

Ms. Princess Hodges reported that there is 1 open case, 1 pending action and 1 action that closed on or after January 1, 2013. Ms. Hodges explained that the cases she handles have been completed by investigations. The cases have resulted in a violation of a practice action which calls for that action to be brought before the Board to determine whether the license should be suspended. The other cases may not be completed or they are able to be resolved in a manner that does not call for a formal complaint.

Old Business:

Regulation 79-04 – Ms. Beeson stated that at the December 2012 meeting she drafted a clean-up Reg., 79-4. Essentially, all they were trying to do with that Reg. was incorporate it into Regulation what was already policy. The text of the Reg. related to retail and principles. It said that as this applies to licenses in the following classifications will be required to demonstrate financial responsibility in the following manner. It list single and multi-lot salespersons, manufacturers and retail dealers. Also incorporated in that was verbiage that said applicants were required to report a minimum net worth of \$150,000 for both the retail dealer and the principles. MHISC's proposed bill takes up this same issue, but it is stated in different terms. The bill, currently drafted, is Section 40-29-95. This bill gives you, the Board, more discretion on what to do as far as financial responsibilities are concerned. It allows the Board to consider financial responsibility of an applicant as determined by the Section and Reg. promulgated by the Board. It is not limited to the \$150,000 net worth. It gives an either or condition, \$150,000 or a credit score of 650.

MOTION:

Mr. Moore made a motion to accept Section 40-29-95 to match our Statute. Mr. Levy seconded the motion, which carried unanimously.

MOTION:

Mr. Randall made a motion to take a five minute break. Mr. Moore seconded the motion, which carried unanimously.

New Business:

The Governor's Regulatory Review Task Force, Title 40, Chapter 29 and Regulation 79 – Mr. Spoon briefed the Board on this Executive Order issued on February 12, 2013. The Executive Order created the Governor's Regulatory Review Task Force and directed all cabinet, which LLR is a cabinet agency, including boards and commissions, to review all their statues, regulations, rules and policies with an eye toward identifying burdens on South Carolina businesses. Each agency is to look at those rules, regulations statues and policies for their necessity, complexity, efficiency, effectiveness redundancy, public complaints, comments, short and long term effects, the impact on affected persons and intended

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and unintended consequences and make recommendations. The notice to the stakeholders was put on LLR's website. Another component is to call upon the administrators to identify some things that they see. The deadline to submit suggestion to Advice Counsel is April 15, 2013. The State Task Force deadline is May 15, 2013. Mr. Spoon suggested that the Board select one or two Board members to look at the statute, rules, regulations and policies then report that information back to the Board and have the Board vote. Mr. Al Randall and Mr. Levy volunteered to look at the statute, rules, regulations and policies.

Conditional Approval of CE Course – Mr. Dillard, Manufactured Housing Institute of South Carolina, stated they would like to get a couple of courses in the pipeline. The goal is to give people as many opportunities to take these courses and start as early as possible to give them time. One course is South Carolina Sales Tax and Manufactured Homes. This course would explain how to identify the three types of manufactured homes, how to do the taxes for each category and explain the various exceptions and so forth in furniture and appliances, AC, etc. The second course has to do with something that is very commonly worked with and that is the intersection of state, federal and local ordinances and how you place a manufactured home or sell a manufactured home which impacts things like loading, installation regulations, traveling and all sort of things. Each course will end with testing.

MOTION:

Mr. Levy made a motion to conditionally accept the continuing education courses of Manufactured Housing Institute. Mr. Newton seconded the motion, which carried unanimously.

Motion to Reconsider - Scott Jason Heinrich, MH Services, LLC.

Mr. David Al Randall recused himself in this matter.

MOTION:

Mr. Newton made a motion to grant the request that Mr. Randall be recused. Mr. Bagwell seconded the motion, which carried unanimously.

Mr. Heinrich filed a motion to reconsider the Board's decision to increase his bond amount from \$30,000 to \$60,000. After three unsuccessful attempts to secure the required bond Mr. Heinrich is requesting the amount be changed to \$50,000 because the matter is causing an unfair financial burden.

MOTION:

Mr. Levy made a motion to modify the bond amount to \$50,000. Mr. Newton seconded the motion, which carried unanimously.

Public Comments:

NONE

Date of Next Meeting:

Tuesday, June 11, 2013

Adjournment:

MOTION:

Mr. Newton made a motion to adjourn the meeting. Mr. Bagwell seconded the motion, which carried unanimously. There being noting further, the meeting adjourned at 12:30 p.m.

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(This proceeding was recorded by a court reporter in order to produce a verbatim transcript, if requested, in accordance with the law.)